

High Knob Utilities, Inc.

Meeting Minutes for August 14, 2004

Call to Order: Keith Arnett called the monthly meeting of the High Knob Utilities, Inc (HKUI) Board to order at 8:00 a.m. HKUI Board members in attendance were Keith Arnett, Jem Anderson, and Josh Douglas.

Previous Minutes: Jem Anderson did not have meeting minutes available for Board review. He will complete and send them via email prior to the next meeting.

Treasurer's Report: Mr. Brown was unavailable, and no report was provided.

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Operations Committee Report: The Joint Operations Committee met on July 26th, but no minutes were taken.

Water Manager's Report: Dan Althouse reported that there were four leaks in taps on Pocahontas, Red Bud, and Bridle Path. The crew also installed five new taps and was involved with service disconnections. They were also reassigned to work for HKOAI on the new service entrance, culvert cleaning, and the service gate for part of the month.

The pool continues consuming 3,000 gallons of water per day—far more than would be expected, while the water project requires an additional 2,000-4,000 gallons per day to flush and fill the new mains and pressurize the system. The pool leak is most likely associated with the skimmer, and that portion of the system will be checked in the Fall. Total production averaged 48,600 gallons per day for residential use in the previous month. The Mountain Top, Alpine, Butler, and Paved Road Reservoirs require additional work—Butler and Paved Road have leaks and need to be repaired and relined and all four need to be core drilled to support six-inch main lines. In addition, a homeowner has reported a leak at the end of Split Rail.

Recent testing for Lead, Copper, etc. has revealed levels higher than the Virginia Department of Health (VDH) standard, and VDH has agreed to help HKUI localize the problem. If any houses

are found to have high levels, the owners will be notified; and VDH will likely recommend treating High Knob water with a softening agent.

E.C. Pace has completed its major work and has removed its equipment from High Knob. They report that all “punch list” items are complete, and HKUI is inspecting the work to verify completion. All the new systems and Pressure-Reducing Valves are working well.

The HKUI crew has completed work on the Playground Valve Station and it is a marked improvement over the previous system. Over the next several months, HKUI personnel will adjust pressures within the system to optimize performance and establish procedures to perform likely actions to shift water throughout the water system. Kelley has started construction on the new Butler Reservoir, and the Playground and Spring Reservoirs are finished (they can be brought into service in an emergency, but are not on-line at this time). The SCADA system is tested and we should start receiving panels by the end of August for installation over the next two months.

Materials are in place to support the remaining line installation on Red Bud, Greenfield/High Knob, Pocahontas, Bridle Path and Chestnut. The work will take about six weeks (if there are no delays due to severe weather or other causes) and has begun on Red Bud, with installation of four- and six-inch pipe and or air release devices. This project is challenging, as the old pipe does not always follow straight paths, causing air locking when the line is recharging. Completely restarting the system in that area takes 48 hours, and it appears water service will be difficult until the work is done. There will also be repairs made to Salt Lick Well, where a faulty installation from years ago and a large leak are causing some problems.

HKUI made another draw of funds (the sixth in all) from the State loan, totaling almost \$200,000, to pay for work and materials for both work crews and for engineering work. Over \$215,000 in loan funds remain available to complete the project. Dan Althouse estimates another \$46,000+ will be needed to finish the work.

Looking forward regarding the water project, remaining work includes a meter bypass at Shenandoah, the Mountain Top Pump Station, a second pump installation on the Alpine system, a meter installation at Salt Lick Well, SCADA work, and replacing a connection from the Salt Lick System to Alpine.

In addition, HKUI will be working with HKOAI to fund paving work.

In response to a question, Dan Althouse indicated that there will likely be some subsidence of earth along the sides of the road where water line installation has been ongoing, which should take care of wastewater flow (and thus not require additional ditching).

Unfinished Business: The pump obtained for 115 Alpine is here but the homeowner has not yet taken possession due to concerns about the waiver of liability in the letter from the HKUI Board that offers the pump for temporary use. If the homeowner ends up not taking the pump, Dan Althouse will return it to the vendor.

Jerry Soucy asked about the Consumer Confidence Report; the Board agreed to post the report on the HKUI website (<http://www.HKUI.org>).

New Business: The HKUI staff will post letters of appreciation on the HKUI web site, recognizing assistance from residents.

There were some substantial problems with delivering the Playground Valve station, requiring additional labor and equipment use and damaging the road near the Paved Road Reservoir. The shipping company paid for the crane and for about 80% of these extra costs.

Jerry Pomeroy was spat upon and threatened by a resident while working on the water system. Keith Arnett recommended staff training and development of a standard letter to be sent to offending parties.

Keith Arnett also issued an invitation for interested homeowners to seek election to the HKUI Board. Elections will be held during the HKUI annual meeting in October, when HKOAI votes its stock as the owner of HKUI. Keith Arnett, Jem Anderson and Josh Douglas relayed their willingness to stay on at the pleasure of the HKOAI Board, while Scott Cooper will leave the Board due to work commitments.

Executive Session: The Board met briefly in executive session to address a legal matter. The meeting relayed information, and no votes were taken by the Board.

Question and Comment Period: There were no additional questions.

The August meeting of the HKUI Board adjourned at 9:15 a.m. The next meeting is scheduled for 7:00 p.m. on September 13th, and the Operations Committee is scheduled to meet at 7:30 p.m. on August 31st.

JEM P. ANDERSON
HKUI Board Secretary